



DEFENSE LOGISTICS AGENCY
THE DEFENSE CONTRACT MANAGEMENT COMMAND
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IN REPLY
REFER TO

AQOF

FEB 4 1997

**MEMORANDUM FOR COMMANDERS, DEFENSE CONTRACT MANAGEMENT
DISTRICTS**

**SUBJECT: DCMC Memorandum No. 97-16, Government Acceptance of Minor
Nonconformances Involving a Single Process (POLICY)**

This is a POLICY memorandum. It expires on January 27, 1998, unless sooner superseded or rescinded. Target Audience: Contract Administration Office Quality Assurance Specialists and Engineers.

The reason for this policy is to provide direction regarding acceptance of minor nonconformances when the contractor has a single process for both military and commercial products. The primary concern is the Government's potential liability regarding nonconforming material dispositioned by the Material Review Board (MRB) and used on commercial end products.

The MRB is partially comprised of Government personnel and they participate in the disposition decisions concerning minor nonconforming material. If the decision is in any way construed to apply to the contractor's commercial contracts, then there is potential Government liability to the contractor and/or its commercial customers if such material fails in commercial performance. It should be made clear on MRB disposition documents, Memorandums of Understanding with the contractor or otherwise, that Government participation in MRB actions is limited to the material being purchased for the Government contracts.

Therefore, where Government and commercial production material is indistinguishable or impractical to separate, the CAO should either: a) establish a bilateral agreement with the contractor stating that DCMC participation in MRBs only pertains to contracts administered by DCMC and has no bearing on the acceptability of the material for use on other contracts; or b) as an alternative place on the MRB document in the DCMC signature block the following statement: "Acceptance for Government Contracts Only."

If you have any questions, contact Mr. Aristides Maldonado, Product Design, Development and Control Team (AQOF) at (703) 767-3355 or Mr. Richard Kane, Product and Manufacturing Assurance Team (AQOG) at (703) 767-2408.

ROBERT W. DREWES
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Commander